

1 MR. HOWARD: -- all three principals participated in
2 it as employees.

3 JUDGE SIPPEL: 29 is for -- it says "Officers only"
4 on the face of it.

5 MR. HOWARD: And, and -- but if you look at page 5
6 of that document it shows -- one of the requirements is -- an
7 active employee.

8 JUDGE SIPPEL: I remember, I remember the witness
9 being asked those questions. I do. All right. What about
10 what -- well, I want you to address the relevancy of all,
11 because we -- we're -- of all these programs. What about
12 Exhibit 30 -- or Tab 30, rather?

13 MR. HOWARD: Where, again, starting on page 1, Your
14 Honor, it tells the, the participant who was eligible to
15 participate in the plan, requiring that they be a full-time
16 employee of Sinclair Broadcast Group for at least 90
17 consecutive days.

18 JUDGE SIPPEL: Is, is that basically repetitive of
19 what's all in, in Tab 29?

20 MR. HOWARD: It's a different plan, Your Honor.

21 MR. GREENEBAUM: A different plan.

22 JUDGE SIPPEL: A different plan, but the same idea?

23 MR. GREENEBAUM: More plans --

24 MR. HOWARD: A separate participation by these -- by
25 the Sinclair principals in an employee benefit -- in a

1 separate employee benefit.

2 JUDGE SIPPEL: What about 31?

3 MR. HOWARD: That's the, the same analysis. This is
4 the life insurance.

5 JUDGE SIPPEL: Mr. Leader?

6 MR. LEADER: Yeah. I -- in the interests of time, I
7 have -- I guess I'm getting older and less patient. I think
8 that -- I don't think it proves what, what they assert that it
9 proves, that the plan only covers employees. But we'll get
10 into that at the appropriate time. Maybe they want to just
11 use the pages that have those references instead of the whole
12 document. I -- that's up to you. I think, of course, most of
13 this is irrelevant.

14 JUDGE SIPPEL: Mr. Zauner?

15 MR. ZAUNER: I have no objection.

16 JUDGE SIPPEL: Well, I'd like to -- I'd certainly
17 like to see these pages pared down. I mean -- you do intend
18 to use all of this --

19 MR. HOWARD: There, there are --

20 JUDGE SIPPEL: -- information?

21 MR. HOWARD: -- numerous references in these docu-
22 ments to the status of employees, and, and that's -- that is
23 the -- that frequent use of the term in the plan is, is
24 relevant.

25 JUDGE SIPPEL: All right. Tabs 29, 30, and 31 are

1 received in their entirety.

2 (Whereupon, the document marked for
3 identification as Tabs 29, 30, and 31
4 of Scripps Howard Exhibit No. 40 were
5 received into evidence.)

6 JUDGE SIPPEL: Now, 32, we spent a considerable
7 amount of time on that yesterday, but I -- well, we, we spent
8 time on it yesterday. Let me say that. I know the witness
9 was asked specific questions about this document. A brief
10 statement of relevancy please, Mr. Howard?

11 MR. HOWARD: It identifies the, the three integrated
12 principals as employees. It includes a certification at the
13 bottom that each person -- this is an eligible employee.

14 JUDGE SIPPEL: All right. Mr. Leader? Same
15 objection?

16 MR. LEADER: Same objection. I would, however, note
17 that the certification is not signed.

18 JUDGE SIPPEL: Does it, does it contemplate a
19 signature of the document?

20 MR. HOWARD: We don't know, Your Honor. We asked
21 whether there was a signed copy --

22 JUDGE SIPPEL: I see.

23 MR. HOWARD: -- they revise it --

24 MR. GREENEBAUM: -- of what it says.

25 MR. HOWARD: -- a signed copy. The stipulation does

1 specify that these are all authentic documents.

2 JUDGE SIPPEL: All right. Mr. Leader was just
3 pointing that out. Mr. Zauner?

4 MR. ZAUNER: No objection.

5 JUDGE SIPPEL: 32 is received. Tab 32 of Exhibit 40
6 is received.

7 (Whereupon, the document marked for
8 identification as Tab 32 of Scripps
9 Howard Exhibit No. 40 was received
10 into evidence.)

11 JUDGE SIPPEL: 33 is the EEO testimony -- the EEO,
12 rather, report of the testimony surrounding it. There was a
13 considerable amount of testimony about that yesterday. I'm,
14 I'm not -- I know why they want it in. I mean, I heard the
15 testimony. I know the document. Do you have any objection to
16 this one?

17 MR. LEADER: No.

18 JUDGE SIPPEL: Any objection?

19 MR. ZAUNER: No.

20 JUDGE SIPPEL: 33 is received.

21 (Whereupon, the document marked for
22 identification as Tab 33 of Scripps
23 Howard Exhibit No. 40 was received
24 into evidence.)

25 JUDGE SIPPEL: And that leaves 34, the time

1 brokerage. And there's, there's -- this problem has a lot of
2 blank -- oh, this problem. This tab document has a lot of
3 blank pages, at least in the set that I got.

4 MR. HOWARD: That's correct, Your Honor. We can
5 certainly take out the blank -- stipulate that they're --
6 specify that those are blank pages and take them out.

7 JUDGE SIPPEL: Well, what's the -- well, well, I, I
8 make that comment. What is the purpose for considering tab 34
9 as -- in the form that it's being submitted?

10 MR. HOWARD: It's -- this is all of the Program
11 Services Agreement that Four Jacks was willing to provide to
12 us in response to your order that the document be turned over
13 to us in discovery. In an informal conference the direction
14 was made, but that's --

15 MR. LEADER: No, no. That's -- once again, I
16 disagree with your characterization. The Judge told us that
17 we only had to turn over information to you in that agreement,
18 the relevant paragraph which indicated that the principals of
19 Four Jacks terminating agreement, and that's what we did.

20 MR. HOWARD: Well, that isn't -- that, that is not
21 -- that was not the direction -- their -- that it is true that
22 at the deposition of Mr. David Smith this matter was discussed
23 and we were advised that the, the rest of the document was
24 proprietary and was thus being withheld in that frame. But
25 the -- it is relevant, Your Honor, and let me limit these

1 remarks to, to the question of why it's relevant, because the
2 question of Mr. Smith's role in buying programming for the
3 other stations has been subject to cross-examination, and this
4 document points out that the -- his role as a programmer for
5 Station WNUV will not in fact necessarily terminate the --
6 should Four Jacks be successful in acquiring Channel 2.

7 MR. LEADER: Well, how, how did he get that? I
8 mean, what this says -- what we turned over to you is that if
9 we're successful in getting Channel 2, that all we do is give
10 30 days notice and Mr. Smith has nothing to do with it, the
11 agreement is terminated. So, it stands for just the opposite.
12 I mean, I'm very happy to let it go in, Your Honor. I have no
13 objection to putting it in. But I do think it -- I, I dis-
14 agree, as I indicated earlier, with what Mr. Howard -- how
15 he's characterizing it.

16 MR. HOWARD: May I speak? Your Honor, the document
17 certainly does speak for itself in this case and you don't
18 have to read too much to see that there's nothing in there
19 about it terminating in the event that Four Jacks should get
20 Channel 2. It simply gives them the option of terminating for
21 any reason.

22 MR. LEADER: For any reason. That, that's the
23 point, Mr. Howard.

24 MR. HOWARD: No duty on them to terminate the --
25 representative --

1 JUDGE SIPPEL: Well, all right.

2 MR. ZAUNER: I have no objection. It is indeed
3 relevant to showing that Four Jacks can with 30 days notice
4 terminate this agreement.

5 JUDGE SIPPEL: All right. Anyway, there's no
6 quarrel about it, so it's going to come in. It's received,
7 but, again, I want -- so that -- this record when it goes up
8 on review, I don't want it to go up with a whole slew of blank
9 pages. If you somehow or other get those blank pages out and
10 put some kind of a, of a, of a short explanation -- some sort
11 of, of a cover sheet on here that these are excerpts of what-
12 ever, so that it's -- of a something-page document, or however
13 you -- you know, some way of describing these as excerpts.
14 And that's -- but it's received in evidence. That's Tab 34 of
15 Volume 40.

16 (Whereupon, the document marked for
17 identification as Tab 34 of Scripps
18 Howard Exhibit No. 40 was received
19 into evidence.)

20 JUDGE SIPPEL: When we conclude today, I'll, I'll
21 have -- I'll set a date, when we learn Mr. Zauner's schedule,
22 for a short admissions -- not an admissions session. This is
23 the admissions session. These are the rulings with respect to
24 what's being received in evidence. But I'm going to supervise
25 the mechanical turnover of this evidence to the reporter at a

1 subsequent time with the changes made as I've, as I've in-
2 structed. And in addition, for the reporter's benefit and for
3 the Docket Service benefit, if you would three-hole punch the
4 exhibits and put them in a binder, something like, like this
5 like I'm showing you, pronged document holders, that will
6 enable the Docket Section to take them out and put them in the
7 bound volumes which they have. It's just going to facilitate
8 matters at the other side. The, the --

9 MR. HOWARD: We had, we had the -- we, we considered
10 that, Your Honor, and were afraid we might lose some
11 information with three-hole punches since some of the docu-
12 ments are not typical -- you know, don't have the typical
13 margin over there for the, for the punch. But we can, we can
14 go through -- if that's how the Docket's --

15 MR. ZAUNER: You're going to lose the information
16 anyway when you send it to Docket's --

17 JUDGE SIPPEL: They're going to --

18 MR. HOWARD: We might as -- better us --

19 JUDGE SIPPEL: I, I think -- yeah, you at least will
20 have -- you will have -- you'll have better control -- at, at
21 the point that you lose the control you will have had a better
22 control over it.

23 MR. HOWARD: Yes, Your Honor.

24 JUDGE SIPPEL: But as far as the attorneys and
25 myself is concerned, this is a, this is a very handy way of

1 supplying them. I appreciate that. That, that concludes the,
2 the document session. Are there any more questions of --
3 well, yes, there are questions by the Bureau of Mr. Smith.
4 Are you ready to go forward, Mr. Zauner?

5 MR. ZAUNER: Yes. Could we take a five-minute
6 break? --

7 JUDGE SIPPEL: This has got to be a true five-minute
8 break.

9 JUDGE SIPPEL: All right. We're off the record for
10 five minutes.

11 (Off the record. On the record.)

12 JUDGE SIPPEL: Mr. Smith, if you'll take the stand
13 again, please, sir? And, Mr. Zauner, you will be conducting
14 the cross-examination for the Bureau. Is that correct?

15 MR. ZAUNER: Correct, Your Honor. Thank you.

16 JUDGE SIPPEL: Mr. Smith, you're still under oath
17 and I appreciate your patience in waiting while we got through
18 these documents before returning to the stand. This is going
19 to be it for you. Go ahead, Mr. Zauner.

20 Whereupon,

21 MR. DAVID D. S. SMITH
22 having previously been duly sworn, was called as a witness
23 herein and was examined and testified as follows:

24 CROSS-EXAMINATION

25 BY MR. ZAUNER:

1 Q Mr. Smith, may I call your attention to your direct
2 written case, page 1 thereof, paragraph 3 specifically? At
3 paragraph 3 you say it has never been your intention to resign
4 your ownership and executive positions with Sinclair. What
5 are your executive positions with Sinclair?

6 A I'm the President of the company.

7 Q Are you also a Director?

8 A Yes.

9 Q And as President what are your duties at Sinclair?

10 A My duties primarily revolve around the long-term
11 strategic planning, foreplanning of the company. They extend
12 to the overall supervision of the general managers who run the
13 wholly-owned subsidiaries. It extends to dealing with the
14 financial end of the company in terms of raising high-yield
15 debt or dealing with banks, things of that nature, as those
16 occurrences, you know, arise. That type of thing. And also
17 programming, as I mentioned in previous testimony. I'm one of
18 a number of people involved in the decision-making process and
19 the ultimate acquisition of product for all of our stations.

20 Q And by "product" you're talking about syndicated
21 syndicate --

22 A Product, television shows. Right.

23 Q Now, you indicated that you maintain an office on
24 property that's rented by Sinclair Broadcast Group. Isn't
25 that correct?

1 A That's correct.

2 Q And you also indicated that you attend that office
3 on a fairly regular basis. Is that correct?

4 A It's where I go to conduct my business, whether it's
5 personal business or for any of the other companies I may be
6 involved in. That's where I operate. That's where my phone
7 is. That's where my desk is. That's where my files are.

8 Q During the average week, let's say over the past
9 year, could you give us an estimate of how much time in terms
10 of hours you spend in your office?

11 A I could spend really as much time as needed to
12 accomplish anything that I want to accomplish, whether it's
13 for Sinclair Broadcast or for any of our companies. It would
14 be difficult to sit down and say: this is how much time I
15 spend relegated to Sinclair or to Four Jacks or to any other
16 businesses I might be involved in or personal business. It's
17 very difficult to allocate that. That's -- this is how much I
18 do and how much time I spend. I mean, I wouldn't want to tell
19 you something that's inaccurate.

20 Q But, but physically --

21 A Physically, it's where I go.

22 Q It's where you go. And how much, how much time are
23 you physically there during the average week?

24 A I'd, I'd say 30 to 40 hours.

25 Q And did I understand you correctly, some of this

1 time is devoted to Sinclair Broadcast Group and its
2 subsidiaries?

3 A Yes.

4 Q And other times you are managing other investments
5 that you have --

6 A Right.

7 Q But you're also telling me that you can't make any
8 approximation of the time that you spend on Sinclair Broadcast
9 Group as apart from your other enterprises?

10 A I would say I, I certainly spend more on Sinclair
11 relative to the other businesses that I'm involved in, but I
12 wouldn't want to tell you that it's six hours a week or 30
13 hours a week, but I, I just -- I wouldn't necessarily be
14 accurate about it.

15 Q As part of your function as President, you indicated
16 you supervise the general managers. Are you involved in the
17 hiring and firing of them, for example?

18 A Yes. To the extent that that happens, and it
19 doesn't happen often, I'm certainly involved in that.

20 Q Are you also involved in the hiring and firing of
21 other employees at the stations?

22 A The only level to which I would probably become
23 involved might be the general sales manager. The primary
24 reason for that is, is simply that I look at general sales --
25 the potential of general sales managers to at some point in

1 the future become general managers, if possible. So, I want
2 to make sure that the people that are brought in underneath
3 the general managers have the potential to grow in that capac-
4 ity. So, that's the -- my primary focus.

5 Q Would you sometimes be involved in the interviewing
6 of potential general managers and perhaps of potential sales
7 manager?

8 A Oh, absolutely, yes. I would suggest that in the,
9 in the six to eight years, I, I guess since 1986 when Sinclair
10 was formed, we've had very, very few changes in that capacity.
11 So, it's, it's -- you know, it's not something that takes a
12 lot of time over the eight years. It probably hasn't happened
13 any more than three times.

14 Q But are you also involved in approving expenditures?

15 A We have what, what we I guess generally characterize
16 as a PO system whereby the television station itself issues
17 POs for the things that they need for the day-to-day operation
18 of the business as approved -- as a function of a
19 departmentalized head, as an example, would approve and say I
20 need this to accomplish a function. And then it would ladder
21 to his then general manager, and the general manager would
22 then approve it as part of a routine budget process and say:
23 it's been approved, it's already been allocated and budgeted
24 for. It would then be sent to the home office. Any one of
25 four of us would look at it and say yes, it is what it is

1 supposed to be.

2 Q And then you, you do, in, in effect, participate in
3 a review of all expenditures at the stations?

4 A Yes. That's something that happens on a, on a
5 periodic basis because we don't -- we try not to, as a matter
6 of routine, have people send things up on a daily basis. And
7 then they come and they come, generally, but something that
8 could take as much as two minutes at a time to review these
9 things, because they all become very aware -- very clearly
10 delineated: I'm spending \$50 for whatever and it's a budgeted
11 item or it's not a budgeted item. So, it's a very quick,
12 untimely process.

13 Q You indicated that you were involved in the purchase
14 of syndicated time.

15 A Yes.

16 Q Does that --

17 A --

18 Q Does that involve negotiating for the price of the
19 syndicated product?

20 A Yes.

21 Q Does it involve reviewing the contract for the
22 syndicated product?

23 A It involves reading contracts on a periodic basis.

24 Q Is this a, is this a continual activity that you are
25 engaged in?

1 A It's a continual activity to the extent that, that I
2 buy the product. It's not a continual activity to the extent
3 that I review the contracts, because there are primarily only
4 two real elements of the contract. The first is how much are
5 you paying and, number two, how many runs, typically per show,
6 are you being granted under the contract. Otherwise when
7 you've essentially run -- or read one Hollywood contract,
8 you've read them all. They're all very much boilerplate. So,
9 I, I read them all a number of years ago and, frankly, I
10 haven't read them since.

11 Q Do you attend conventions of program producers, such
12 as the NAPT?

13 A If I do, that's what I attend at -- I don't attend
14 it all the time. I have attended it, though, a few times in
15 the last eight years.

16 Q As part of your management, do you review sales
17 contracts?

18 A No.

19 Q Do you -- do any of your stations do barter?

20 A Yes.

21 Q Do you review the barter arrangements?

22 A No.

23 Q Do you review the rate cards?

24 A No.

25 Q If there's going to be a change in the rate card,

1 does -- do you discuss this with your management?

2 A It wouldn't be practical, because the, the sales
3 environment is so fluid that it's something that clearly
4 changes on an hourly basis. It's something you would literal-
5 ly have to be involved in all day every day from a sales point
6 of view to really keep your hands around it, and that's not
7 really the way we -- our function is as principals. That's
8 all relegated and delegated to the people capable of running
9 day-to-day business of the company.

10 Q As part of your management duties, do you review the
11 local -- locally produced programming of your stations?

12 A Well, the, the, the answer is yes, and, and the only
13 thing we produce locally as -- in Baltimore, as an example, is
14 an hour newscast. So, fortunately, I live in Baltimore, so
15 I'm able to watch it, and anything else that we may do on a
16 periodic basis, certainly.

17 Q Do --

18 A Primarily for content and things of that nature.

19 Q Do you -- if you find something that you don't like
20 or something that you especially like, do you communicate that
21 to the news --

22 A I, I would --

23 Q -- producer and --

24 A I would call the general manager and, you know, deal
25 through the hierarchy of -- basically run the business.

1 Q You're also involved in acquisitions for the sta-
2 tion, is that not correct?

3 A Yes.

4 Q For the Group -- I'm sorry.

5 A Yes. I, I was -- lumped that into the strategic
6 planning category.

7 Q And is acquisitions a continuing process?

8 A It's continuing to the extent that one is always
9 viewing the landscape to determine whether there's any partic-
10 ular business out there that might bring some benefit to us as
11 a group. So, that's the -- something you always look at.
12 Unfortunately, there aren't a lot of television stations out
13 there for sale or otherwise, so it -- the opportunities are
14 very limited in terms of what you can do going forward in
15 terms of growth.

16 Q Are you involved at all in the purchase of
17 insurance?

18 A No.

19 Q Are you involved in -- at all in the negotiation of
20 Program Service Agreements?

21 A Yeah. When, when they're initially done, I was
22 involved in the negotiations and then it's -- I think, I think
23 they're five year duration, if I'm not mistaken. So, once
24 every five years or so we'll, you know, renegotiate some
25 things.

1 Q And just for the record, could you tell the Judge
2 what a Program Service Agreement is?

3 A A Program Service Agreement is fundamentally nothing
4 more than a contract that permits me the option or the right
5 to acquire inventory on other television stations in the
6 market, such as WNUV, as an example. That right then permits
7 me to program the station and sell the inventory.

8 Q Are you ever involved in reviewing rating reports?

9 A Ratings? I read --

10 Q The Nielson, Arbitron --

11 A I read -- the Arbitron's no longer in business, but
12 Nielson -- I, I read the ratings books periodically, sure,
13 just to keep tabs on, on what we're doing. They come out six
14 times a year generally.

15 Q Are you involved at all in the negotiation of a
16 contract with the Nielson company?

17 A Yes. I'm involved in that. It's, it's a very --
18 it's not a routine event, about once every seven years. They
19 are seven-year contracts. So, you negotiate it and you go to
20 sleep basically for seven years.

21 Q Are you involved in all -- at all with -- well, let
22 me withdraw that and ask: Are the Sinclair Broadcasting Group
23 stations represented in sales by companies?

24 A Yes.

25 Q Are you involved at all in the hiring of a, of a

1 national representative?

2 A I would only get involved in the -- in what might be
3 described as the final deal and the economics of that deal.
4 Each television station would come to us and say, this is who
5 we'd like to contract to be our national rep. And I'd say,
6 show me the deal, let me see it. And I would weigh that
7 against other deals that I may have within the company or I
8 know might exist elsewhere to determine whether I might be
9 able to get a better deal. They themselves may go back and
10 negotiate the deal or I may negotiate the deals. It's not
11 really, you know, defined one way or another. I can step out
12 of it totally or I can be into it totally. It's a once-every-
13 five-year event, by the way.

14 Q If Four Jacks is successful in this proceeding, do I
15 understand that you are going to continue to perform all of
16 these functions on behalf of Sinclair Broadcast Group?

17 A I'm going to perform whatever functions I'm able to.
18 And to the extent to which I'm not able to because it
19 conflicts with what I've committed to do for Four Jacks, then
20 I won't do it.

21 Q Well, for example, your functions concerning the
22 purchase of, of film for the stations, syndicated products,
23 what would happen to that function?

24 A It would be delegated.

25 Q Do you propose to hire someone new to handle that

1 function or to delegate it to existing personnel at --

2 A I can delegate it --

3 Q -- the stations?

4 A I can delegate it to existing personnel at the
5 stations. That's very easy to do.

6 Q And you would not then -- you would -- let me
7 withdraw that. You would forego the review of the --

8 A I wouldn't necessarily have to forego --

9 JUDGE SIPPEL: Well, let him finish the question.

10 BY MR. ZAUNER:

11 Q Well, review the -- you would forego the review of
12 the contracts or the film sales?

13 A That really wouldn't be necessary, because I -- I
14 think as I mentioned, the, the practice of negotiating film
15 contracts is, is usually a very quick process. In other
16 words, somebody comes to the market and says, this is what I
17 want, here's my deal, and there's some discussion about it,
18 some negotiation, and then it's over. It can last as little
19 as five minutes or it can last as long as an hour or two. It
20 depends on the -- you know, what's involved -- and how many
21 stations are involved and things of that nature. But once,
22 once that's done, I never see -- I'm not involved in it any-
23 more after that. The paperwork shuffles through the system
24 and I don't, I don't pay any attention to it.

25 So, that, that process which occurs, you know, not

1 on a daily basis or not necessarily on a weekly basis, it just
2 -- it occurs as a function of Hollywood's need to push product
3 into the marketplace. So, it fluctuates up and down, up and
4 down. But from the timing point of view, it's something that
5 -- you know, if I work a few hours a week at it after hours,
6 if I wanted to, it's not a big issue. I don't see it as an
7 issue at all, frankly.

8 Q Well, you also indicated that you were involved in
9 the hiring and firing of general managers.

10 A Right.

11 Q What would happen to this function if you were
12 successful in this proceeding?

13 A I don't see that as a disruptive function because, I
14 guess I mentioned, in eight years I only hired -- been two
15 general managers. So, that's not a long-term process. More
16 often than not, the general managers that we do have are
17 promoted from within.

18 Q Well, you indicate that a substantial ongoing part
19 of your involvement with Sinclair Broadcast Group and its
20 subsidiaries is the question of new acquisitions. Would this
21 be something that you could delegate?

22 A That's not, that's not really something that's -- I
23 mean, you can certainly delegate anything, but it's not some-
24 thing that really needs to be delegated because it's not
25 something that I need to sit at a desk at and do. It's some-

1 | thing that I, that I contemplate in terms of measuring the
2 | competition in the industry and the different businesses out
3 | there and determining whether they would be of interest to me.
4 | If they are of interest to me, then I would consider pursuing
5 | that. But it's not, it's not really a desk job per se where
6 | you sit there and -- on a daily basis or weekly or monthly
7 | basis contemplate or analyze, well, I'm going to go out and
8 | buy this business or that business or whatever. I mean, it
9 | just isn't like that.

10 | Q You indicated that you also spend a good portion of
11 | your time in connection with other interests that you hold.
12 | Are these other interests in which you are an active partici-
13 | pant as a manager?

14 | A I'm, I'm a manager to the extent that I'm a Presi-
15 | dent of a holding company or, or an S-Corporation. To that
16 | extent, yes, I'm a manager. To the extent that there's any
17 | real business that's conducted on a daily basis, there isn't
18 | any. I think as I've mentioned in previous testimony or
19 | depositions, the various S company -- S-Corporations that we
20 | own are primarily collection points for rental income. They
21 | are not active promoted businesses. In other words, we don't
22 | advertise the business. We don't solicit tenants for any of
23 | our businesses. They are primarily nothing more than collec-
24 | tion points. If somebody calls and says I want to rent space,
25 | we'll deal with it. That's it. That's the extent of our

1 involvement in it -- my personal involvement in it.

2 Q There was some testimony today concerning your
3 involvement as a Board of Director member for a 401(k) plan.
4 Is that correct? Are you a Director on the 401(k) plan for
5 the --

6 A I may be a --

7 Q -- Sinclair --

8 A -- trustee -- I think I'm a trustee. I've indicated
9 that.

10 Q In other words, you were a trustee of the health
11 plan, as I understood?

12 A I may be a, I may be a trustee of the 401(k). I'm
13 not -- I don't specifically recall.

14 Q Well, perhaps I can just shorten this. Do either of
15 those jobs require much of your time on a weekly basis?

16 A They don't require any of my time on almost a yearly
17 basis.

18 Q Let me call your attention again to page 1, para-
19 graph 3. You say there that you've never stated that you
20 would divest your ownership and executive positions in
21 Sinclair as a company as opposed to merely divesting all your
22 interest in, in connection with WBFF-TV. And you go on to say
23 had you intended to divest your ownership and executive posi-
24 tions with Sinclair you would have so stated.

25 So, from that I -- am I correct that what, what

1 you're saying here is that you always intended to convey the
2 idea that you would continue in your executive positions in
3 Sinclair?

4 A Yes. I, I think that's accurate.

5 Q But didn't you also state that -- to the Commission
6 that you would resign your then current employment?

7 A Well, I, I think the -- there's been a lot of
8 discussion about that in terms of what one person views it as
9 or another person views it as. The, the intent -- the clear
10 intent in my mind is to purely suggest that if I'm employed in
11 what I consider to be gainful employment where I have a boss
12 and I have a nine-to-five job or, or an eight-to-six job or
13 whatever it happens to be and I'm required to answer to people
14 on a regular basis, if I should become involved in that type
15 of employment, then I would resign from it. I don't presume
16 that's going to happen, but I'm prepared to, as I said yester-
17 day, if somebody were to call me and make me an offer I
18 couldn't refuse to go to work for them, then I would go.

19 Q Is it your testimony that you --

20 A I would subsequently resign from it.

21 Q Is it your testimony then that you didn't consider
22 your position as President of S-- of Sinclair Broadcast Group
23 and its subsidiaries as employment?

24 A I don't consider it to be employment, no, in the
25 normal sense of the word. As I said, I think yesterday, if I

1 was working for somebody, as an example, Sumner Redstone I
2 think was the example I gave yesterday, if he were to call me
3 and ask me to -- his studio for him, I would consider that to
4 be gainful employment. Running a holding company, while it's
5 certainly is a broad and encompassing job and it can be de-
6 scribed that way, is not necessarily what I consider to be
7 employment. I'm working for myself. I go to work when I
8 choose. I leave when I choose. I have no immediate supervi-
9 sor. So, in that context relative to me working for somebody
10 else on an eight-to-six basis and being fireable, I see this
11 thing different.

12 Q Let me call your attention to page 3, paragraph 6,
13 for a moment. There you indicate that the day-to-day opera-
14 tions at Sinclair's stations are generally left to competent
15 general managers and other on-site personnel. When you say
16 generally, what are the exceptions?

17 A The only exceptions are the some of the -- something
18 we've already discussed here -- or some of the minute details
19 of the PO system, as an example, or my becoming involved in a
20 contract negotiation for syndicated product, or that -- those
21 types of things. That's all. Otherwise, as an example, you
22 know, if I hear from a general manager -- I'll take Columbus,
23 as an example. If I hear from him once every two or three
24 weeks, it might be considered a lot.

25 Q I want to take a moment and go back to your original